

Testimony of Rick Melita  
SEIU State Council  
Before the Finance Revenue & Bonding Committee  
March 3, 2022

Hello Members of the Committee , my name is Rick Melita and I am the Director of the CT State Council of the Service Employees International Union.

Others will speak to the merits of the bills heard today, and the SEIU State Council stands with other partners in Recovery for All in support of SB 21, SB 28 and SB 29 .

They are all a step in the right direction to ensuring a fairer and more equitable tax structure.

But what I would like the committee to do is take a step further and push for greater transparency in our extremely opaque tax system. It is impossible to determine what is fair and equitable when so many are invested in keeping the public uninformed on how skewed our system is toward wealthy corporations and individuals.

Recently the Department of Revenue Services produced a tax incidence report that purported to show how our system impacts Connecticut's citizens. First of all it only took eight years to produce a follow up report from the initial one . The 2014 report is shocking on how unfair the system is to working families. I guess if you wish to keep our citizens in the dark, the best thing to do is not publish anymore reports.

Finally after 8 years another report was produced after some cajoling from this committee, and a quick glance of it would lead one to believe that the wealthy among us are shouldering a larger burden. But it failed to provide a clear apples to apples comparison to the 2014 report

A closer look at the data, in reports by the CT Mirror and analysis provided by experts at CT Voices for Children, shows what we can see with our own eyes: that a tax system designed to cater to the needs of the wealthiest produces increased burdens on working families. Despite billionaires seizing more and more, even in the time of the worst plague in a century, the laws passed by the General Assembly demand that working families subsidize the lifestyles of the rich and famous at a greater rate than they did in 2014.

If I was a cynical person I would think that the resistance to the State establishing fair tax rates and collection from the wealthiest few on what they owe, the slow walking of providing information, and the obfuscation in the 2022 report was somehow deliberate.

Since the political landscape is shaping up to be a Governor's race between two millionaires, I despair of any full reckoning by the Executive Branch for the millions of Connecticut residents

not fortunate enough to be in the top 0.04 % , the uber wealthy strata earning \$3+ million a year.

Therefore, it is up to the General Assembly to pass bills on transparency- for example telling us exactly how little tax mega corporations pay, despite earning millions of revenue in our state. Model language detailing corporate tax transparency can be found at this [link](#). I hope it will be included in bills reported out by this committee.

In closing, the world is witnessing in real time what happens when a country deliberately walls off access to information on its wealthiest class- a plutocratic society that embraces gangster capitalism. Nobel Laureate Paul Krugman opines that sanctions against Russian oligarchs will not be effective due to how those crooks, with the help of western financiers, can hide their ill gotten gains. If we wish to be a free and fair society and avoid taking the path that Russia has chosen, we should be transparent. Thank you.